

# Ethics Commission

## MISSION STATEMENT

The Ethics Commission exercises authorities granted to it under the Public Ethics Law to promote the public's trust of County government and to ensure the impartiality of County employees, including elected officials, in the execution of their responsibilities.

## BUDGET OVERVIEW

The total approved FY15 Operating Budget for the Ethics Commission is \$355,641, an increase of \$18,634 or 5.5 percent from the FY14 Approved Budget of \$337,007. Personnel Costs comprise 92.5 percent of the budget for three full-time positions, and a total of three FTEs. Total FTEs may include seasonal or temporary positions and may also reflect workforce charged to or from other departments or funds. Operating Expenses account for the remaining 7.5 percent of the FY15 budget.

## LINKAGE TO COUNTY RESULT AREAS

While this program area supports all eight of the County Result Areas, the following are emphasized:

- ❖ **A Responsive, Accountable County Government**

## DEPARTMENT PERFORMANCE MEASURES

Performance measures for this department are included below. The FY14 estimates reflect funding based on the FY14 approved budget. The FY15 and FY16 figures are performance targets based on the FY15 approved budget and funding for comparable service levels in FY16.

Measure	Actual FY12	Actual FY13	Estimated FY14	Target FY15	Target FY16
<b>Program Measures</b>					
Number of Formal Opinions or Waivers Processed (by calendar year)	8	11	10	10	10
Number of Lobbyists Registered (calendar year)	161	172	172	172	172
Number of Lobbyist Activity Reports (calendar year)	140	214	214	214	214
Number of Financial Disclosure Statements Required (calendar year) <sup>1</sup>	1741	2034	2034	2034	2034
Number of Outside Employment Requests Processed (calendar year)	926	1148	1148	1148	1148

<sup>1</sup> The variance in totals from 2012 to 2013 is attributable to initial financial disclosure reports being accounted for in year filed rather than prior year. The FY13 number is based on actual filings of initial and final financial disclosures plus anticipated filings of required annual reports for calendar year 2013.

## ACCOMPLISHMENTS AND INITIATIVES

- ❖ **The Commission continues its review of the financial disclosure provisions of the Public Ethics Law with a view toward recommending changes that better address the potential for conflicts of interest.**
- ❖ **The Commission staff is working with the Chief Administrative Officer (CAO) and the Department of Technology Services (DTS) to improve the efficiency and effectiveness of the existing financial disclosure system, while at the same time taking steps to implement longer-range solutions to address system deficiencies.**
- ❖ **Commission staff is working with DTS to create an electronic system for filing non-Police Outside Employment requests. The electronic system will facilitate the filing of the requests, the review of requests, and the management of the process and data associated with the process.**
- ❖ **The Commission is working with the Chief Administrative Officer, the County Attorney, and others to develop County-wide ethics training requirements and content.**
- ❖ **The Commission has Implemented new monitoring, status verification and enforcement processes resulting in receipt of one hundred percent of all required annual financial disclosure reports.**
- ❖ **Productivity Improvements**
  - **The Commission has implemented new online lobbying registration and reporting systems which have been utilized by lobbyists for lobbying activities since the beginning of calendar year 2013.**

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- ***The Commission has altered the approach toward charging lobbying fees to ensure that each lobbyist in a firm pays the registration fee for each client the lobbyist represents.***
  - ***The Commission, working with the Department of Technology Services and the Office of Human Resources (OHR), has developed a new approach for the distribution of 2013 annual financial disclosure reports, resulting in advancing the launch date of the annual filing season to January 2, 2014, and the elimination of a County-wide OHR process to identify each annual financial disclosure filer.***

## **PROGRAM CONTACTS**

Contact Robert Cobb of the Ethics Commission at 240-777-6674 or Phil Weeda of the Office of Management and Budget at 240-777-2780 for more information regarding this department's operating budget.

## **PROGRAM DESCRIPTIONS**

### ***Ethics Program Compliance***

**Financial Disclosure:** The Public Ethics Law requires filing of financial disclosure reports by certain County employees. The Ethics Commission prepares and distributes financial disclosure forms and maintains reports filed by employees; it administers the electronic filing system for reporting and coordinates with the Office of Human Resources and all County agencies as regards to the status of filers, and resolves all anomalous circumstances and questions from filers that routinely arise associated with the filing of financial disclosure reports and the administration of the system designed for that purpose.

**Outside Employment:** The Public Ethics Law requires that County employees obtain approval from the Ethics Commission prior to engaging in any employment other than County employment. The Ethics Commission prepares and makes available Outside Employment request forms and administers a process pursuant to which agency approvals are obtained. The Ethics Commission staff prepares all requests for consideration by the Ethics Commission, to include obtaining additional information from requestors and County agencies and conducting preliminary legal analysis of requests. The Ethics Commission approves requests, as appropriate, setting conditions on approval as necessary to ensure compliance with ethics requirements, and staff notifies requestors by letter of the disposition of requests. The Ethics Commission publishes and updates approved Outside Employment information required to be made public by the Public Ethics Law.

**Lobbying:** The Public Ethics Law requires certain persons who spend or receive over \$500 to communicate with County officials and employees to register as lobbyists and to file semi-annual activity reports with the Ethics Commission. Annual registration fees are required and are paid to the Ethics Commission and processed and deposited in the General Fund. The Ethics Commission publishes and updates information required to be made public by the Public Ethics Law.

**Complaints, Investigations and Hearings:** Pursuant to the Public Ethics Laws, the Ethics Commission receives complaints and, as appropriate: conducts investigations, conducts hearings, makes findings, and imposes sanctions and penalties if warranted.

**Advisory Opinions, Waivers, Advice:** In accordance with the Public Ethics Law, the Ethics Commission answers inquiries on the application of the Ethics law, publishes opinions, and grants waivers of Ethics Law requirements, as appropriate.

**Education:** The Ethics Commission conducts public education and other information programs regarding the Ethics Law.

**Legislative and Regulatory:** The Ethics Commission recommends and prepares new ethics legislation and regulations.

**Coordination and Outreach:** The Staff of the Ethics Commission coordinates with the County Attorney's Office and the Office of the Inspector General as necessary on legal and investigative matters; the Staff also serves as the principal public resource on the County's ethics laws, to include managing a website that reflects Ethics Commission programs, activities, and publications such as annual reports, approvals of outside employment requests, lobbying data, and waivers and opinions.

**Administration:** The Staff of the Ethics Commission is responsible for assuring that Ethics Commission meetings are run in accordance with the Open Meetings Act and other applicable law, and the Ethics Commission members are informed and advised as to all material matters under their jurisdiction; Ethics Commission staff are also responsible for budget, procurement, human resources, and resource management for the operation of the office in accordance with Montgomery County policies, and attend required training in these and other office management areas.

## BUDGET SUMMARY

	Actual FY13	Budget FY14	Estimated FY14	Approved FY15	% Chg Bud/App
<b>COUNTY GENERAL FUND</b>					
<b>EXPENDITURES</b>					
Salaries and Wages	225,234	248,836	198,121	261,162	5.0%
Employee Benefits	47,619	61,738	50,536	67,922	10.0%
<b>County General Fund Personnel Costs</b>	<b>272,853</b>	<b>310,574</b>	<b>248,657</b>	<b>329,084</b>	<b>6.0%</b>
Operating Expenses	53,943	26,433	57,432	26,557	0.5%
Capital Outlay	0	0	0	0	—
<b>County General Fund Expenditures</b>	<b>326,796</b>	<b>337,007</b>	<b>306,089</b>	<b>355,641</b>	<b>5.5%</b>
<b>PERSONNEL</b>					
Full-Time	3	3	3	3	—
Part-Time	0	0	0	0	—
FTEs	3.00	3.00	3.00	3.00	—
<b>REVENUES</b>					
Miscellaneous Revenues	13,500	0	20,000	20,000	—
Other Charges/Fees	0	15,000	0	0	—
<b>County General Fund Revenues</b>	<b>13,500</b>	<b>15,000</b>	<b>20,000</b>	<b>20,000</b>	<b>33.3%</b>

## FY15 APPROVED CHANGES

	Expenditures	FTEs
<b>COUNTY GENERAL FUND</b>		
<b>FY14 ORIGINAL APPROPRIATION</b>	<b>337,007</b>	<b>3.00</b>
<b>Other Adjustments (with no service impacts)</b>		
Increase Cost: FY15 Compensation Adjustment	9,958	0.00
Increase Cost: Annualization of FY14 Personnel Costs	7,472	0.00
Increase Cost: Group Insurance Adjustment	570	0.00
Increase Cost: Retirement Adjustment	510	0.00
Increase Cost: Printing and Mail	124	0.00
<b>FY15 APPROVED:</b>	<b>355,641</b>	<b>3.00</b>

## FUTURE FISCAL IMPACTS

Title	APPR. FY15	FY16	FY17	(\$000's) FY18	FY19	FY20
This table is intended to present significant future fiscal impacts of the department's programs.						
<b>COUNTY GENERAL FUND</b>						
<b>Expenditures</b>						
<b>FY15 Approved</b>	<b>356</b>	<b>356</b>	<b>356</b>	<b>356</b>	<b>356</b>	<b>356</b>
No inflation or compensation change is included in outyear projections.						
<b>Labor Contracts</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>
These figures represent the estimated annualized cost of general wage adjustments, service increments, and associated benefits.						
<b>Subtotal Expenditures</b>	<b>356</b>	<b>357</b>	<b>357</b>	<b>357</b>	<b>357</b>	<b>357</b>

